

Quality Review Process

**Revised 01-22-08
For Partner Use**

Purpose The purpose of a Quality Review is to ensure that the taxpayer's tax return is accurate based on the supporting documents provided by the taxpayer and the intake and interview sheet.

Policy One of the Quality Site Requirements is to have a Quality Review process in place and ensure it is being used at every site on every return.

A Quality Review process at each site must be used to confirm the tax law was correctly applied; the tax return is free from error and has been prepared correctly based on the available supporting documents. A Quality Review process at each site must contain the following critical components for an effective and thorough Quality Review of the tax return:

- The taxpayer should participate in the Quality Review process.
- The Quality Reviewer is required to **complete** one of the following standardized Quality Review Sheets:
 - Form 8158, *Quality Review Sheet* or
 - IRS approved partner developed Quality Review Sheet containing the same information as listed on Form 8158.
- The Quality Reviewer is required to use the available supporting documents to confirm identity, income, expenses and credits on the return.
- If applicable, the reviewer may have to refer to Publication 4012 and/or Publication 17.

NOTE: The Quality Review Check sheet has been removed from Publication 730 and Publication 4012 to ensure an individual check sheet is completed for each return.

The Quality Review process requires the following:

Include the taxpayer in the Quality Review process. The Quality Reviewer should engage in conversation with the taxpayer to ensure the information contained on the Intake and Interview Sheet and the tax return is correct based on supporting documents. Additionally, the Quality Reviewer should answer any questions the taxpayer may have.

The following supporting documents must be used while conducting a Quality Review:

- **Completed Intake and Interview Sheet** (*Form 13614 or IRS-approved, partner-developed intake sheet that contains the same questions or similar questions that address the same information as listed on Form 13614*). If the intake sheet

is not entirely completed, the Quality Reviewer must secure the additional information from the taxpayer.

- ***Form 8158 Quality Review Sheet*** – or IRS-approved, partner-developed Quality Review Sheet.
- ***Completed tax return***
- ***Supporting documents*** for everyone (when applicable) on the return. Supporting documents include, but are not limited to the following:
 - Proof of Identity
 - Social Security Number/Individual Tax Identification Number
 - Banking information for direct deposits or debits
 - Forms W-2
 - Forms 1099 income statements (*Types of income include miscellaneous, interest, dividend, retirement, real estate transactions, state refunds, etc.*)
 - Any earned income not reported on W-2.
 - Form 1098 - Mortgage Interest/Taxes Paid
 - Childcare statement from the provider which includes the provider's EIN or SSN
 - Charitable Contribution statements
 - Student loan interest statements
 - Education/tuition payments

If an error is identified on the return, the Quality Reviewer or the preparer (depending on how the site is set up) should make the correction on Form 13614 or an IRS-approved, partner-developed intake sheet. After the return is corrected and reviewed again with the taxpayer, the taxpayer(s) must sign the return. The return is then processed for timely filing.

NOTE: During the Quality Review with the taxpayer, if information is not clear to the reviewer, the reviewer can have a discussion with the volunteer and/or the Site Coordinator for clarification.

If no errors are identified on the tax return, the Quality Reviewer or preparer (depending on how the site operates) must obtain the appropriate taxpayers' signature(s). The return is then processed for timely filing.

Once all required forms are signed, the Quality Reviewer or Preparer should give the copy of the tax return including all supporting documents, the intake and

interview sheet, and if applicable, a copy of Form 8879, *IRS e-file Signature Authorization* to the taxpayer in the Tax Records Envelope (*Publication 730*) or partner-created envelope. The reviewer and the preparer should advise taxpayers to bring their tax return back with them next year to assist with subsequent tax return preparation.

**Preferred
Quality Review
Method**

We understand sites have various methods for conducting Quality Reviews. Although this is acceptable, the outcome must lead to an accurate return. The preferred Quality Review method employs a Designated Quality Reviewer. The Designated Quality Reviewer should be one of the most experienced persons at the site and should have the following skills:

1. In-depth knowledge and understanding of tax law, as well as e-file software (if applicable).
2. Properly trained and certified at the Advanced Level or the maximum level for the type of returns prepared at the site.
3. Ability to explain tax law and how it applies to the taxpayer(s).
4. Tact in dealing with taxpayers and volunteers when errors are identified.

For VITA and TCE (non-AARP) sites, Self Review (*preparer reviewing a return he or she prepared*) and Peer Review (*preparer exchanging a return with another preparer*) are also acceptable Quality Review methods but are not representative of the best-practice approach. Self Review should only be used at one-person volunteer sites. Most AARP sites use designated reviewers.

Non-e-file sites may find it necessary to take additional steps to ensure accuracy at their sites. For example, paper returns should be checked for things such as math errors, correct information/amounts pulled from schedules/tax tables, etc.

**Partner-
Developed
Quality Review
Sheet**

Partners may develop their own Quality Review Check Sheet. The partner-developed Quality Review Check Sheets must ask all the questions listed on Form **8158** or similar questions that ask for the same information. **All partner-developed Quality Review Check Sheets must be reviewed and approved by the partner's SPEC relationship manager and Territory Manager prior to use.**

Partner-developed Quality Review Check Sheets should be submitted to the territory office no later than **December 31, 2007**. Once received, the relationship manager and Territory Manager have 7 calendar days to review and approve the partner-developed Quality Review Check Sheet. If the partner-developed Quality Review Check Sheet does not meet the requirements stated above, the relationship manager and/or Territory Manager will work with the partner to revise the form. Relationship managers will be required to document that the partner-developed Quality Review Check Sheet was reviewed and approved by the Territory Manager.

**How to
Complete the
Form 8158
Quality Review
Sheet**

The reviewer will check Yes or No for each completed item. Check whether the return is ready for taxpayer's signature(s) or if any errors were found. Note any additional information in the comments/errors section at the bottom of the form. After the return is completed, Form 8158 must be properly destroyed.

**How to Order
Form 8158**

The Form 8158, Quality Review Sheet can be obtained in the following manner:

- From the Forms/Pubs/Products Repository
- Order using Form 2333TE
- www.irs.gov website
- Contact your local SPEC relationship manager

**Quality
Review
Corrective
Action**

During a SPEC visit/review, if the site is identified as not having or using the correct Quality Review process, the Territory Manager and/or relationship manager will assist the site with developing a Quality Review check sheet or recommend the site use the IRS Form 8158. Refer to the VITA/TCE Quality Site Requirements for corrective action.
